

Arundel counties and in Baltimore. Aides said Glendening had not endorsed any of the recommendations yet.

Touted by state officials as a common-sense approach to the problem of welfare dependency, the pilot program would require participants to get a job or perform community service after three months on welfare. It also is designed to cushion the transition from welfare to work by providing more health and child care benefits for participants.

Even though state officials said the plan ultimately would save money, it would cost about \$6 million to implement over the next three years in the pilot jurisdictions and \$250 million more to put in place statewide.

The Clinton administration approved the pilot plan only two months ago. But the task force concluded that it may not be worth it to spend the money in the wake of welfare spending cuts that will reduce Maryland's federal funds by \$200 million over the next five years. Instead, members said, the state simply should incorporate some of the less costly features of the pilot program statewide, such as the tougher work requirements.

Del. Samuel I. Rosenberg (D-Baltimore), a task force member and one of the authors of the state's welfare reform bill, said the "fiscal reality is that you can't do" the pilot program. "We're being asked to do more with less," he said.

Like many other states, Maryland is engaged in furious last-minute deliberations over how to cope with the prospect of massive change in the federal-state welfare program. Both the House and the Senate have approved bills that would end the traditional federal guarantee of financial support to poor people who meet certain eligibility standards. Instead, the federal government would send federal money to the states in the form of block grants and give governors and state legislatures more discretion over how the money is spent. Both bills would cut millions from the funds states were expecting to receive from Washington.

Virginia officials said yesterday that they are confident that they are in better shape than Maryland. For one thing, Virginia already has implemented its own welfare overhaul that is far broader than Maryland's. State officials have estimated that their plan will pare thousands from the welfare rolls, saving as much as \$130 million over five years, or more than the Clinton administration's estimate of what Virginia stands to lose in the federal welfare overhaul.

#### 150TH ANNIVERSARY OF BLACKSTONE, MASSACHUSETTS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 12, 1995*

Mr. NEAL of Massachusetts. Mr. Speaker, today I would like to offer my congratulations to the citizens of Blackstone, MA, on their town's 150th anniversary. Blackstone is named after the Blackstone River which flows through the town and is one of the most significant waterways in American history. It was on the banks of this river over 200 years ago that Samuel Slater built the first American factory thus launching the American Industrial Revolution. Blackstone is also located in the center of the Blackstone River Valley National Heritage Corridor Area. This is a town rich in history and tradition and is the embodiment of the New England spirit.

To honor this important milestone, a series of events was held in Blackstone as part of a year-long celebration. Among the events celebrated were a village fair and parade in May, numerous Fourth of July festivities, and most recently on September 24, a parade celebrating the Blackstone Valley heritage homecoming. The parade was a grand affair with 11 neighboring towns participating, featuring Richard T. Moore, Associate Director for Mitigation of F.E.M.A., as the parade's grand marshal. Following the parade a band competition was held at the Blackstone/Millville Regional Junior/Senior High School in Blackstone. The events received rave reviews from the many who attended.

Congratulations to the hardworking members of the Blackstone 150th Anniversary Celebration Committee. The tireless efforts of these citizens over the past year produced several outstanding anniversary events. Their dedication to their town truly epitomizes the kind of citizenry that has made Blackstone an exceptional American town. I am honored to represent such a wonderful community and I join with the citizens of Blackstone in looking ahead, with tremendous optimism, to the next 150 years.

#### TRIBUTE TO TAIWAN ON HER NATIONAL DAY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 12, 1995*

Mr. PALLONE. Mr. Speaker, on October 10, 1995, the Republic of China on Taiwan celebrated its National Day. This day of celebration marks the occasion of the end of more than 3,000 years of dynastic rule. I salute the great changes that have been undertaken by the people of Taiwan to transform their country into one that respects the right of the individual to participate in democratic self-rule.

While Taiwan's National Day is a happy occasion, we here in the United States must be concerned by the recent heightening of tensions in the region. The People's Republic of China (PRC) has undertaken a program of intimidation toward Taiwan. The PRC has launched missiles less than 100 miles off the coast of Taiwan, staged "Island Landing" military exercises and openly threatened mock naval blockades. All because democratic Taiwan continues to seek greater international recognition.

The United States has an important role to play in this situation. President Clinton will be meeting with PRC President Jiang in New York as part of the celebration of the 50th anniversary of the United Nations. Under the Taiwan Relations Act of 1980, the United States has an interest in promoting a peaceful solution to the Taiwan situation. I do not think the PRC's actions reflect a move toward peace, and our President needs to remind the PRC of our goals.

Taiwan will have open Presidential elections in March 1996. The two primary political parties have nominated their candidates, and even a powerful independent candidate may take the stage. We have promoted the ideal of democracy throughout the world. Now that it is a reality on Taiwan, we must do what we can to maintain it.

Again, I want to congratulate Taiwan on its National Day, and send warm regards to President Lee Teng-hui on his country's amazing success.

#### PUTTING ETI'S OFF LIMITS TO PRIVATE PENSION FUNDS

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 12, 1995*

Mr. SAXTON. Mr. Speaker, I would like to bring to your attention an excellent article by Stuart Anderson, policy director of the Alexis de Tocqueville Institution. His article in Investor's Business Daily on September 28, 1995, "Beware Politically Correct Investing," explains why the Federal Government should not require or encourage pension funds to make investments based on criteria other than the risk-adjusted rate of return of an investment. This is an important and particularly timely article considering the Clinton administration's current efforts to conscript private pensions assets into so-called economically targeted investments, which are better described as politically targeted investments.

The Alexis de Tocqueville Institution employed data provided by Morningstar, Inc. that compared the annualized returns of 13 "socially conscious" mutual funds that invested in growth funds to the universe of growth funds. The result was that, "Over 3-, 5- and 15-year growth periods, the average growth fund always outperformed the average socially conscious growth fund."

This new report supports the conclusions of a previous report by the Republican staff of the Joint Economic Committee [JEC]. The JEC report, entitled "The Economics of ETIs: Sacrificing Returns for Political Goals," showed how the investment underperformance caused by ETIs would cost an average of \$43,298 per private pension plan participant after 30 years.

These findings highlight the need for Congress to keep overzealous political appointees in check. In this case, the concern is Labor Secretary Reich's vocal advocacy of ETI's, even given their dismal record. If ETI's underperform non-ETI's, as numerous private studies have shown, then what possible rationale is there to support their implementation? One possible conclusion is that ETI advocates are more interested in the politically driven projects financed by ETI's than in protecting the pension savings of millions of Americans.

It is simply not possible to reconcile two fundamentally conflicting goals assigned to pension plans by Secretary Reich. Traditionally, pensions have had but one goal: to maximize risk-adjusted rates of return. Secretary Reich, however, has added a second goal to pension plans: to utilize pension assets to achieve some political benefit for persons other than the pension beneficiaries. The Labor Secretary's desire to push such a risky political investment strategy, however, flies in the face of his duty to serve as a trustworthy guardian of the nation's pension system, safeguarding it from, among other things, unnecessary risk of pension losses.

But ETIs are not the first time that Secretary Rich has required Congressional oversight.